(c) if so, what is Government's reaction thereto; and

(d) what are the names of projects which are under construction with World Bank aid but have not been completed?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI AJIT KUMAR PANJA): (a) and (b) No, Sir

(c) Does not arise.

(d) Out of the four coal mining projects which were taken up for implementation with the World Bank assistance only Sonepur Bazari OCP of Eastern Coalfields Ltd. remains to be completed. This project had suffered initially due to land acquisition/rehabilitation problems which have been overcome now and development activities have already been undertaken.

Unviable CIL Projects

1777. SHRI SHIVAJIRAO GIRIDHAR PATIL: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that the cost and time overrun are making CIL projects unviable resulting in non-achievement of the targetted 308 million tonne per annum capacity by the end of the Eighth Five Year Plan; and

(b) if so, what measures are proposed to be taken by Government to overcome this?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI AJIT KUMAR PANJA): (a) and (b) Cost and time overruns in coal projects do affect their financial viability. However, cost overrun of coal projects not only takes place with time overrun but also in many cases without time overrun due to normal annual inflation, change in taxes/duties and exchange rate variation during the project gestation period as the cost estimates of projects are based on the price level prevailing at the time of formulation/sanction.

The Government have taken various measures in the recent past to minimise the time overrun of projects. Some of these measures are:—

(i) Two-stage clearance of major coal projects costing Rs. 50 crores and above, by sanctioning 'Advance Action Proposal' upto an amount of Rs. 10.00 crores in the first stage to initiate preliminary activities like acquisition of land and obtaining forestry and environmental clearances etc.

(ii) Circulation of comprehensive guidelines to all the coal companies to improve the system of formulation, implementation and monitoring of projects; and

(iii) Intensive monitoring of delayed major projects under implementation.

The Govt. has further advised Coal India Ltd. to engage services of expert external monitoring agencies in few selected/major projects for ensuring timely follow-up for expeditious completion of such projects. Through implementation of various measures, CIL is expected to achieve their share of 270 million tonnes out of the total of 308 million tonnes production planned to be achieved in the country by the terminal year of the Eighth Five Year Plan (1996-97).

Production of Low Grade Coal

1778. SHRI KAMAL MORARKA: Will the Minister of COAL be pleased to state:

(a) the gradewise production of Coal in the country during 1991-92 and 1992-93 and how it compares with those of 1984-85;

(b) what are the reasons for production of low grade of coal; and

(c) what steps are being taken to improve the production of high grade coal in the country?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI AJIT KUMAR PANJA): (a) Gradewise

production of coal during 1984-85, 1991-92 and 1992-93 is given below:—

(million tonnes)

Coking Coal	1984-85	1991-92	1992-93 (Provisional)
Steel and Washery Grades	32.32	32.77	32.33
Other Grades	4.44	12.95	13.07
Non-coking Coal			
Grades A, B, C and Assam Coal	53.54	72.14	75.37
Other Grades	57.11	111.42	117.46
TOTAL COAL	147.41	229.28	238.23

NOTE : Coal produced by Singareni Collieries Company Limited was not graded till 1984-85 therefore all its non-coking coal production has been included in "other grades" category.

(b) Over the years a large number of new mines have been developed for production of power grade coal to meet the increased demand of coal for power generation.

(c) Some of the steps initiated to increase the availability of higher grade coal are:—

(i) Expediting development of on going projects and opening of new mines for production of A to C grade coals.

(ii) Setting up of coal handling arrangements for supply of uniform quality of coal for power and other industries.

(iii) Modification and modernisation of existing coking coal washeries.

(iv) Setting up of new washeries for washing of different grades medium coking coal for use of steel plants.

(v) Setting up of coal benefication plants for supply of beneficiated coal for some of the distant power stations located more than 1000 Kms from coalfields.

Coal Handling Plants in CIL

1779. SHRI MOHAMMED AFZAL alias MEEM AFZAL: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that Coal handling plants have been installed in CIL to facilitate Coal Transportation;

(b) if so, the number of Coal Handling plants installed Company-wise alongwith those plants which are under construction; and

(c) what is the coal transportation cost in CIL and what should be the reduction of transportation cost in CIL if all the plants are used?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI AJIT KUMAR PANJA): (a) Yes, Sir. Coal Handling Plants (CHPs) have been installed in CIL at different collieries to facilitate coal transportation and for improving quality of coal despatches.

(b) Number of coal handling plants (including feeder breakers) alongwith those